

BUSINESS REPORT

**MONTANA SENATE
61st LEGISLATURE - REGULAR SESSION**

SENATE TAXATION COMMITTEE

Date: Friday, March 20, 2009
Place: Capitol

Time: 8:00 am
Room: 405

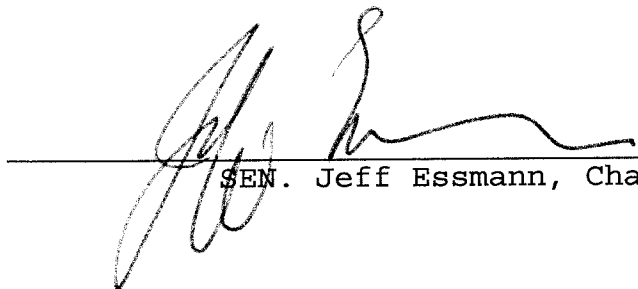
BILLS and RESOLUTIONS HEARD:

SB 459 ~ SB 503

EXECUTIVE ACTION TAKEN:

HB 588 ~ DO CONCUR AS AMENDED
SB 37 ~ DO PASS AS AMENDED
SB 342 ~ BE AMENDED
SB 491 ~ DO PASS AS AMENDED
SB 499 ~ DO PASS AS AMENDED
SB 501 ~ TABLED
SB 504 ~ TABLED

COMMENTS:



SEN. Jeff Essmann, Chairman

MONTANA STATE SENATE ROLL CALL TAXATION COMMITTEE

DATE: March 20, 2009

NAME	PRESENT	ABSENT/ EXCUSED
Chairman Jeff Essmann	✓	
Vice Chair Taylor Brown	✓	
Senator Jerry Black	✓	
Senator Gary Branae	✓	
Senator Ron Erickson	✓	
Senator Kelly Gebhardt	✓	
Senator Kim Gillan		✓
Senator Bradley Maxon Hamlett	✓	
Senator Christine Kaufmann	✓	
Senator Robert Story, Jr.		✓
Senator Bruce Tutvedt		✓



SENATE STANDING COMMITTEE REPORT

March 20, 2009

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Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 37** (first reading copy -- white) do pass as amended.

Signed: _____

Senator Jeff Essmann, Chair

And, that such amendments read:

1. Title, page 1, line 9.

Following: "DATE"

Insert: ", "

2. Title, line 10.

Strike: "AND A RETROACTIVE"

Insert: "AN"

Following: "DATE"

Insert: ", AND A TERMINATION DATE"

3. Page 1, line 26.

Following: "taxpayer"

Insert: "or a married taxpayer filing on a separate form"

4. Page 1, line 27.

Following: "form"

Insert: "or a taxpayer filing as a head of household"

5. Page 2, line 16.

Strike: "taxpayer"

Insert: "person making the investment"

6. Page 2, line 19.

Insert: "COORDINATION SECTION. **Section 2. Coordination instruction.** If House Bill No. 645 is not passed and approved with specific funding for the increased income tax credits

Committee Vote:

Yes 9, No 0

Fiscal Note Required ☐

SB0037001SC.sdr

DR

provided in [this act], then [this act] is void."

Renumber: subsequent sections

7. Page 2, line 22.

Strike: "Retroactive applicability"

Insert: "Applicability"

8. Page 2, line 23.

Following: "2008"

Insert: "and tax years ending before January 1, 2011"

9. Page 2.

Following: line 23

Insert: "NEW SECTION. Section 5. Termination. [Section 1]
terminates December 31, 2010."

- END -



SENATE STANDING COMMITTEE REPORT

March 20, 2009

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Mr. President:

We, your committee on **Taxation** recommend that **House Bill 588** (third reading copy -- blue) be concurred in as amended.

Signed: _____

Senator Jeff Essmann, Chair

To be carried by Senator Taylor Brown

And, that such amendments read:

1. Page 2, line 18.

Strike: "Except" through "those"

Insert: "Those"

2. Page 2, line 18 through line 20.

Strike: "in the relative" on line 18 through "fiscal year" on line 20

Insert: "as follows:

(i) the state share must be distributed in the relative proportions required by levies for state purposes in the same manner as property taxes were distributed in fiscal year 1990;

(ii) except as provided in subsection (4), the county share must be distributed in the relative proportions required by levies for county purposes, other than an elementary school or high school, in the same manner as property taxes were distributed in the previous fiscal year;

(iii) except as provided in subsection (5), the school districts' share must be distributed in the relative proportions required by levies for school district purposes in the same manner as property taxes were distributed in the previous fiscal year"

3. Page 2, line 23.

Following: "(3) (b)"

Insert: "(i)"

Committee Vote:

Yes 8, No 0

Fiscal Note Required __



SENATE STANDING COMMITTEE REPORT

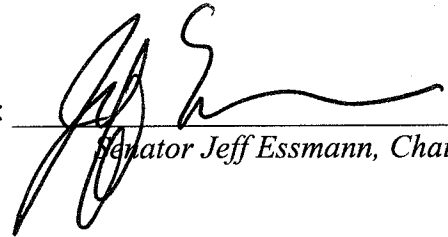
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Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 491** (first reading copy -- white) **do pass as amended.**

Signed: _____


Senator Jeff Essmann, Chair

And, that such amendments read:

1. Title, line 6.

Following: "LAW;"

Insert: "PROVIDING A TRANSITION PROVISION;"

2. Page 2, line 7.

Insert: "(3) (a) For the purposes of this section, "group benefits" means group hospitalization, health, medical, surgical, life, and other similar and related group benefits provided to officers and employees of political subdivisions, including flexible spending account benefits and payments in lieu of group benefits.

(b) The term does not include casualty insurance as defined in 33-1-206, marine insurance as authorized in 33-1-209 and 33-1-221 through 33-1-229, property insurance as defined in 33-1-210, surety insurance as defined in 33-1-211, and title insurance as defined in 33-1-212."

3. Page 2, line 28.

Strike: "local government units"

Insert: "political subdivisions, as defined in 2-9-101, except school districts"

4. Page 3, line 8.

Strike: "unit of local government"

Insert: "political subdivision"

5. Page 3, line 16.

Committee Vote:

Yes 9, No 0

Fiscal Note Required ☐

SB0491001SC.sdr

Strike: "the"

Insert: "that year's average annual contribution and subtracting from that amount the"

6. Page 6, line 4.

Insert: "NEW SECTION. **Section 4. Transition.** (1) Except as provided in subsection (2), a political subdivision that levied mills for group contributions pursuant to 2-18-703 in fiscal year 2009 may for the fiscal years 2010 through 2014 levy the greater of:

(a) the dollar amount levied in 2009; or

(b) the amount determined in 2-18-703.

(2) The actual dollar amount under subsection (1)(a) may not include an amount for group benefits paid from user charges described in 2-9-212(2)(a)(i)."

Renumber: subsequent sections

- END -



SENATE STANDING COMMITTEE REPORT

March 20, 2009

Page 1 of 2

Mr. President:

We, your committee on **Taxation** recommend that **Senate Bill 499** (first reading copy -- white) do pass as amended.

Signed: _____

Senator Jeff Essmann, Chair

And, that such amendments read:

1. Page 1, line 26.

Strike: "The following production"

Insert: "That portion of the production from a new or existing mine that is used in facilities described in 15-6-157(1) (h) or (1) (k) "

2. Page 1, line 27 through page 2, line 1.

Following: "(1)" on line 27

Insert: "."

Strike: ":", on page 1, line 27 through "(1) (k)." on page 2, line 1

3. Page 2, line 3.

Following: "qualify"

Insert: "as a new mine"

Following: "(4) (a)"

Strike: "(i)"

4. Page 2, line 5.

Following: "(4) (a)"

Strike: "(ii)"

5. Page 2, line 7.

Following: "(4) (a)"

Strike: "(ii)"

Committee Vote:

Yes 8, No 3

Fiscal Note Required ____

6. Page 2, line 10.

Strike: "exemptions"

Insert: "exemption"

Strike: "subsections (4)(a)(i) and (4)(a)(ii) continue"

Insert: "subsection (4)(a) continues"

7. Page 2, line 11.

Strike: "do"

Insert: "does"

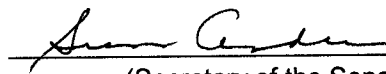
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COMMITTEE FILE COPY

TABLED BILL

The **SENATE TAXATION COMMITTEE** TABLED **SB 501, SB 504**, by motion, on **Friday, March 20, 2009**.


(For the Committee)


(Secretary of the Senate)

11:45 / 3/20
(Time) (Date)

March 20, 2009

Debra L. Polhemus, Secretary

Phone: 4685

ROLL CALL VOTE
TAXATION COMMITTEE
MONTANA STATE SENATE

Date: 3.20.09

Bill No.: SB499

Motion: Do Pass As Amended

NAME (11 Members)	AYE	NO	Proxy
Vice Chair, Taylor Brown	✓		
Senator Ron Erickson		✓	
Senator Bradley Maxon Hamlett	✓		
Senator Kelly Gebhardt	✓		✓
Senator Bruce Tutvedt	✓		
Senator Christine Kaufmann		✓	
Senator Kim Gillan	✓		
Senator Jerry Black	✓		
Senator Robert Story, Jr.	✓		✓
Senator Gary Branae		✓	
Chairman Jeff Essmann	✓		

VOTE: 8-3

ROLL CALL VOTE
TAXATION COMMITTEE
MONTANA STATE SENATE

Date: 2.20.09

Bill No.: SB 501

Motion: Do Pass As Amended

NAME (11 Members)	AYE	NO	Proxy
Vice Chair, Taylor Brown		✓	
Senator Ron Erickson	✓		
Senator Bradley Maxon Hamlett		✓	
Senator Kelly Gebhardt		✓	✓
Senator Bruce Tutvedt		✓	
Senator Christine Kaufmann	✓		
Senator Kim Gillan	✓		
Senator Jerry Black		✓	
Senator Robert Story, Jr.		✓	✓
Senator Gary Branae	✓		
Chairman Jeff Essmann		✓	

Reverse Table

VOTE: 4-7 fails

I request to be excused from Taxation Committee because of other commitments. I desire to leave my proxy vote with:

Taylor Brown

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AUTHORIZED SENATE COMMITTEE PROXY

I request to be excused from Sen Tax Committee because of other commitments. I desire to leave my proxy vote with:

Taylor Brown

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT AYE NO

SB-499 with amendment 499D1. all	X	
SB-501 (as amended)		X

BILL/AMENDMENT AYE NO

Sen. Kelly Gebhardt
(Signature)

K. Gebhardt

Date 3/20/09

VISITORS REGISTER

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MONTANA SENATE TAXATION COMMITTEE

Date: March 20, 2009 Bill No: SB 503

Sponsor(s): Sen. Jeff Essmann

(Montana Economic Stimulus Act)

Please print ~ Please print ~ Please print

NAME	REPRESENTING	Support	Oppose	Informt'l
Neil Peterson	Gaming Industry	X		
Brad Griffin	MT Retail Assoc	X		
Riley Johnson	NFIB	X		
Jon Bennis	MT Chamber	X		
Gary Hegreberg	Contractors	X		
Harry Schless	MT. Farm Bureau	X		
Shirley Green	MT ADN	X		
Tom Brown	MT Technicians	X		
Rick Hill	MBIA	X		
Dore Horner	MT. Taxpayers Assoc	X		
Mike Murphy	MLURA	X		
Chris Gallus	Staples Law Office MT Taxpayers Assoc.	X		
Ronda Wiggers	Grt Fls/Helena Chamber	X		
Stuart Daggett	MT Innkeepers Assoc.	X		

Please leave prepared testimony with Committee Secretary. Witness

Statement forms are available if you prefer to submit written testimony.

DARY Slaw

MMCA

X

VISITORS REGISTER

MONTANA SENATE TAXATION COMMITTEE

Date: March 20, 2009 Bill No: SB 503

Sponsor(s): Sen. Jeff Essmann
(Montana Economic Stimulus Act)

Please print ~ Please print ~ Please print

NAME	REPRESENTING	Support	Oppose	Informt'l
Joe Roberts	Alt. Assoc. REACTORS	✓		
Joe Roberts				
Erik Burke	MEA - MFT		✓	
Sarah Wilhelm	MB PC			✓

Please leave prepared testimony with Committee Secretary. Witness Statement forms are available if you prefer to submit written testimony.

VISITORS REGISTER

MONTANA SENATE TAXATION COMMITTEE

Date: March 20, 2009 Bill No: SB 459

Sponsor(s): Sen. Ron Erickson
(Repeal capital gains tax credit)

Please print ~ Please print ~ Please print

NAME	REPRESENTING	Support	Oppose	Informt'l
Joe Sherlin	MSCFA		✓	
Brad Griffin	MT Retail Assoc		✓	
Neil Peterson	Gaming Industry		✓	
Riley Johnson	NFIB		✓	
Don Hergenauer	MT Taxpayers Assoc		✓	
Mike Murphy	MWRA		X	
Sarah Wilbur	MBPC	X		
Jon Bennison	MT Chamber		X	
Bruce Olson	Revenue			x
Jim Brown	MT Stock Growers		X	
Barry Slaw	MMAA		X	
Cary Hegreberg	Contractors		X	
Bruce Spencer	MT ADIA		X	
Randa Wiggers	MT Gift Fls/Helena Chamber		X	

Please leave prepared testimony with Committee Secretary. Witness
Statement forms are available if you prefer to submit written testimony.

VISITORS REGISTER

MONTANA SENATE
TAXATION COMMITTEE

Date: March 20, 2009 Bill No: SB 459

Sponsor(s): Sen. Ron Erickson
(Repeal capital gains tax credit)*Please print ~ Please print ~ Please print*

NAME	REPRESENTING	Support	Oppose	Informt'l
Dan Schupp	MT Farm Bureau	X	X	
Rick Lee	BBIA		X	
Erik Burke	MEA - MFT	X		

*Please leave prepared testimony with Committee Secretary. Witness
Statement forms are available if you prefer to submit written testimony.*